



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

August 7, 2000

TO: Minerals File

FROM: Lynn Kunzler, Reclamation Specialist *LK*

RE: Site Inspection, Paradise Management Inc., Koosharem Mine, M/031/002, Piute County, Utah

Date of Inspection: July 20, 2000
Time of Inspection: 10:00 a.m.
Conditions: Clear
Participants: Don Fullmer, Paradise Management Inc.; Tony Peck, Operator, Steve Winslow, USFS; and Lynn Kunzler, DOGM

Purpose of Inspection: To discuss onsite conditions and permit problems with operator.

We began with discussing the history of the site and the status of the lease. BLM will be administering the lease and will begin the EA process so that it is completed at the time of lease renewal in February 2001. We were surprised that the BLM was not represented since both myself and Steve Winslow had left messages with Stan Perks as to the date and time of the meeting, and the role that the BLM will have with this project. We discussed the fact that more acreage has been disturbed than what is currently permitted and that Paradise Management will need to submit a permit amendment to cover the entire disturbance plus any additional acreage that may be disturbed within the next 5-year period. Mr. Fullmer was advised that the written document requesting the amendment would be forthcoming and would have a relatively short time frame to respond (approximately 45 days). We also discussed the need to increase the reclamation surety to cover the entire disturbed area.

The access road (FS) was discussed since there was a special use permit to haul clay on this road. The Special Use Permit is with Peck and Sons, not with Paradise Management Inc. Tony thought that the permit fee (based on tons of clay hauled) was to cover any reclamation or narrowing of the road upon termination, and that it would be the FS responsibility to do this work.

The second pit was visited to discuss the FS activity with Mr. Fullmer on this portion of his lease. After examining the stockpiled material and the area stripped, it was concluded that the clay materials had not been stripped. Mr. Fullmer indicated that when he developed this lease, it would be in a different location and that the FS activity has not compromised his potential operations. We agreed to keep the 1.66 acres off the permit and leave it as the responsibility of the FS to reclaim.

The Clay Stockpile area was discussed and it was agreed that a Small Mine Notice would be all that is required to permit this site. Disturbance is currently 3.0 acres and is not expected to expand. Since it is not likely that the FS access road will be included in the Large Mine Permit, the stockpile is located approximately 8 miles from the clay mine. Form MR-SMO was given to the operator to fill out and submit to DOGM to permit this site.

cc: Stan Perks, BLM
Steve Winslow, USFS
Don Fullmer, Paradise Management Inc.
Koosharem.ins